



Alleviation of Poverty Through the Provision of Local Energy Services

APPLES

Project no. EIE-04-168

Technical Progress Report No. 1

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1. Project objectives and major achievements during the reporting period

1.1 Project objectives

The overall goal of the APPLES project is to find sustainable mechanism for the effective delivery of improved local energy services to poor communities in South Africa. Derived objectives are to:

- understand energy needs and priorities within urban, peri-urban and rural communities in South Africa
- determine and demonstrate best practices for energy service provision
- strengthen the embryonic network of existing Integrated energy Centres(IeCs)
- monitor the impacts of the APPLES project

The APPLES project is not an isolated activity but is strongly linked to existing policies in South Africa. The Department of Minerals and Energy of the South African Government has developed a policy for bringing energy services to poor communities. This policy is based on the concept of Integrated energy Centres (IeCs). These IeCs are established close to poor communities without access to modern fuels. The design of these IeCs is different in different areas but their main task is to provide energy products as well as energy related information. Several IeCs have already been established and APPLES aims to strengthen these existing Centres by conducting capacity development activities for these Centres and by assisting in the establishment of new IeCs. The APPLES results therefore feed directly into the existing policy framework in South Africa.

1.2 Summary of activities and results for the reporting period

The APPLES project commenced in June 2005 with the inception phase which was completed in September 2005. In June an inception mission was undertaken by the whole project team in South Africa with the purpose to:

- Confirm and update good understanding of the energy situation in South Africa
- Discuss the Government policies on Integrated energy Centres
- Identify suitable locations for targeted APPLES action
- Visit a number of relevant projects in Kwazulu Natal Province
- Discuss proposed approach among the project team and prepare revised work

One of the main results achieved during the inception phase was the identification of the following four locations for targeted APPLES action:

- Highflats(rural, Kwazulu Natal Province)
 - o Strong Government buy-in at all levels
 - o Potential to model integrated energy centre as part of Multi Purpose Community Centre
 - o Useful links to local economic development

- Hluleka(rural, Eastern Cape Province)
 - o Past activities demonstrate demand for energy services
 - o Strong buy-in from local Government
 - o opportunities to demonstrate stand alone integrated energy centre model
- Buffalo City(urban/peri-urban, Eastern Cape Province)
 - o Focus on energy efficient housing
 - o Established links to the local Municipality
 - o Great potential benefit from capacity building
- Cape Town(urban/peri-urban, Western Cape Province)
 - o Demand-driven approach required to prioritize needs
 - o Low awareness of energy options
 - o Commitment from local authority

1.3 Identified problems and corrective action taken

After the inception phase was completed the project team encountered problems related to the necessary co-funding for the local partners. Funds were made available by the Department of Science and Technology (DST) of the South African Government that could be used for co-funding the local partners but the requirements for getting access to these funds changed in the course of time, eventually leading to a situation where the achievement of the APPLES objectives were in jeopardy. As a result the project was put on hold for several months.

With the help of the Delegation of the European Commission in South Africa, the responsibility for the APPLES project within DST was shifted to the international Co-operation department and several suggestions were made to resolve the co-funding issue. It is expected that the project can continue with the next phase very soon and corrective actions have been taken to make up for the lost time and ensure that the quality of the results and the overall objectives are not in jeopardy

2. Consortium management in the reporting period

The management of the consortium during the reporting period included the following activities:

- organisation of the inception mission to South Africa
- establishing communication links with the APPLES partners
- preparing contracts between ECN and the local subcontractors
- communication with IEEA

The inception mission to South Africa was undertaken during the period 6-10 June 2005 by the whole project team. The purpose of the mission was to:

- confirm and update a good understanding of energy situation in South Africa, especially related to poor communities without access to modern energy services
- discuss the Government policies on Integrated Energy Centres
- get an overview of ongoing activities in South Africa in this area
- visit a number of relevant projects in Kwazulu Natal Province
- discuss the proposed approach and work plan among the project team
- present APPLES project to the Department of Minerals and Energy and the Department of Science and Technology, as well as to the EC local representative
- describe major issues identified during the mission
- prepare a revised work plan and time schedule

The following *communication channels* have been established:

1. project team meetings: these meetings are very important because of the face to face contact but due to budget constraints only three meetings to be attended by the whole team can be held: inception meeting in June 2005; second meeting in April 2006 and the final meeting in January 2008. All team meetings will be held in South Africa and combined with ground work activities.
2. telephone conference: it was decided to hold a telephone conference each month. To reduce cost it was suggested to use Skype free internet telephony if all partners have access to this facility.
3. email will be the most frequent channel used for communication

Draft contracts have been drawn up between ECN and the local partners: University of Cape Town and Parallax. However, the contracts can only be signed if the co-funding issue mentioned in section 1.3 has been fully resolved.

The *communication with the IEEA* has been established in the reporting period. The project officer responsible for the APPLES project has been informed by email about the progress and in October a meeting was held at the IEEA between the project officer and the APPLES project co-coordinator to discuss the draft inception report and other issues related to the implementation of APPLES.

3. Progress of each work package in the period

3.1 Progress on work plan against initial objectives

WP1: Inception and General Management

The activities planned for WP 1 are:

- Inception Phase activities
- Ongoing project management

The inception phase activities have all been completed, except the establishment of the Project Steering Committee(PSC). The composition of the PSC was discussed during the inception phase but potential members have not yet been invited because first the co-funding issue needs to be resolved.

The ongoing project managements activities were in general carried out during the report period as planned

WP 2: Planning for Improved Energy Services Provision in South Africa

The activities planned for this WP are:

- planning of the contribution by APPLES to the National Action Plan
- establishment of links to other donor initiatives to ensure close co-operation and avoid duplication

Very limited progress has been made so far with regard to both activities. During the inception phase it became clear that the National Action Plan mentioned in WP 2 was not necessary anymore because most policies and plans were already in place in South Africa. Consequently, the APPLES project will contribute to the National Strategy for Integrated Energy Centres instead. This strategy will be published soon and forms, together with the Energy White Paper (1998) the Integrated Sustainable Rural development Plan(2001) and the Urban Renewal Plan, the policy framework in South Africa for energy provision to poor communities.

WP 3: Establishing Energy-Related Priorities for Poor Communities in Urban, Peri-Urban & Rural Settings

The activities foreseen for this WP are:

- the selection of several institutional and community contexts for working with energy-poor communities,
- establishing energy-related priorities for poor people in each of these contexts

Regarding the first activity, a preliminary selection of locations has been undertaken based on a set of predetermined criteria. This selection resulted in four locations, two rural locations and

two peri-urban/urban locations. Not all locations have been visited yet and a more thorough investigation is needed before a final selection can be presented.

No progress can be reported regarding the assessment of the energy-related priorities in the selected locations.

WP 4: Identification, Communication & Demonstration of targeted Best Energy Practices for the poor

For this WP no progress can be reported during the reporting period.

WP 5: Facilitation of Access to Energy Services for Rural Communities in South Africa

No progress can be reported for this WP during the reporting period

WP 6: Capacity Development

No progress can be reported for this WP during the reporting period

WP 7: Monitoring & Evaluation

This WP has been redefined significantly during the inception phase. In the project proposal the monitoring & evaluation was supposed to refer to the progress achieved by the various work packages in the APPLES work plan. However, it became clear from the discussions during the inception phase among the project team members that this type of monitoring needs to be undertaken in WP 1 and is reported in the six monthly project progress reports. It was therefore agreed that the focus in WP 7 should be on monitoring the impacts of the APPLES activities on various groups such as end users, small businesses and local/national policies. The methodology that will be used for assessing these impacts will be based on the work that is currently being carried out by the international M&E for Energy and Development group. The University of Oxford is one of the team members of this internal group and therefore perfectly placed to apply the results in the APPLES project.

WP 8: Communication & Dissemination

During the report period the APPLES project website was developed and launched (apple-online.info).

WP 9: Common dissemination activities

no progress can be reported for this WP during the reporting period.

3.2 Deviations from the work plan

Deviations from the work plan have occurred as a result of the delay in the implementation of APPLES caused by the co-financing issue. The project was put on hold for several months and implementation is expected to resume early January 2006.

The delay in implementation also affects the timing of the deliverables. The intention is to make an extra effort in 2006 to catch up for the lost time. However, the production of the following deliverables included in the revised list of deliverables will be delayed:

- Report on the selected locations(no 4)due in December 2005 will be produced in February 2006
- Report on evaluation methodology (no 6) due in January 2006 will be produced in February 2006
- Report on contribution by APPLES to National Strategy (no 7) due in February 2006) will be produced in March 2006

3.3 Update of time schedule

In this section the initial APPLES timetable as included in the Annex I to the contract is presented as well as the revised timetable which takes into account the findings of the inception phase and the delay in the implementation of the project due to co-financing problem.

Table 1 Initial APPLES timetable as included in Annex I to the contract

Project phase / Duration of the project (in months)		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32		
Work Package	Package Name																																		
1	Inception & General Management																																		
2	Planning for Improved Energy Service Provision in South Africa																																		
3	Establishing Energy-Related Priorities for Poor Communities in Urban, Peri-Urban & Rural Settings (South Africa)																																		
4	Identification, Communication & Demonstration of targeted Best Energy Practices (South Africa)																																		
5	Facilitation of Access to Energy Services for Rural Communities in South Africa																																		
6	Capacity Development																																		
7	Monitoring & Evaluation																																		
8	Communication & Dissemination																																		
9	Common Dissemination Activities																																		
	Project meetings	X							X							X							X							X					
	Project deliverables*		1	13-17	20	7	2-18-19-21	25				5-6	2-18-19-21					10-11	2-18-18-19-21	14	3				8-9-12-15	2-18-19-21	16				23	17-25	22-24	4	

Table 2 Revised APPLES project timetable

Project phase / Duration of the project (in months)		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	
Work Package	Package Name																																	
1	Inception & General Management																																	
2	Planning for Improved Energy Service Provision in South Africa																																	
3	Establishing Energy-Related Priorities for Poor Communities in Urban, Peri-Urban & Rural Settings (South Africa)																																	
4	Identification, Communication & Demonstration of targeted Best Energy Practices (South Africa)																																	
5	Facilitation of Access to Energy Services for Rural Communities in South Africa																																	
6	Capacity Development																																	
7	Monitoring & Evaluation																																	
8	Communication & Dissemination																																	
9	Common Dissemination Activities																																	
	Project team meetings in South Africa	X											X									X											X	
	Project team meeting in Europe																																	
	Project deliverables*			1-2		3	5		4-6 7-8			9-10	11		12				13-14	15	16			17-18	19-20-21-22	23		24-25			26	27	28-29-30-31	

3.4 List of deliverables

The list of deliverables is presented in Annex 1

4. Progress regarding performance indicators

WP	Indicator	Progress
WP1	-Project Steering Committee in place	Composition PSC under discussion but not yet in place
	-Good communication and co-ordination within consortium	Communication channels have been established and are working satisfactorily
	- Significant level of participation of sub-contractors	Participation in terms of hours substantially (more than 50%)
	- timely and appropriate reporting	Inception and progress reports submitted on time
	-level and quality of work with other activities	appropriate
	-project progresses on time and budget	project experienced delay due to co-financing issue
WP 2	-Approval of work Programme	no progress
	- Interest expressed I starting new business	no progress
WP 3	WP 3 has not yet started	
WP 4	WP 4 has not yet started	
WP 5	WP 5 has not yet started	
WP 6	WP 6 has not yet started	
WP 7	WP 7 has not yet started	
WP 8	-project presented to appropriate level in national government	APPLES has been presented to DST and DME, Government of South Africa
	- project results presented in the media	no progress
	- results of project posted on international web sites	results of inception mission posted on APPLES website
WP 9	WP 9 has not yet started	

Annex 1 Overview of current status of deliverables

Del. N°	Deliverable name	Related work package N°	Date due	Actual/Forecast submission deadline
1	Inception report	1	September 2005	submitted
2	Information Sheet	8	September 2005	submitted
3	First progress report	1	November 2005	submitted
4	Report on the selected locations	3	December 2005	February 2006
5	Project website established	8	December 2005	website established
6	Report on evaluation methodology	7	January 2006	February 2006
7	Report on contribution by APPLES to National Strategy	2	February 2006	February 2006
8	Evidence of co-ordination with other donor initiatives	2	February 2006	February 2006
9	Report on energy needs assessment	3	May 2006	May 2006
10	Second progress report	1	May 2006	May 2006
11	Update project website	8	June 2006	June 2006
12	Training material for capacity building	5	August 2006	August 2006
13	Energy centre information material	5	November 2006	November 2006
14	Third progress report	1	November 2006	November 2006
15	Update project website	8	December 2006	December 2006
16	Interim implementation report & financial statement	1	January 2006	January 2006
17	Report on selected best practices	4	April 2007	April 2007
18	Set of implementation guidelines	4	April 2007	April 2007
19	Report from community visits	6	May 2007	May 2007
20	Material from workshops & courses	6	May 2007	May 2007

Del. N°	Deliverable name	Related work package N°	Date due	Actual/Forecast submission deadline
22	Fourth progress report	1	May 2007	May 2007
23	Update project website	8	June 2007	June 2007
24	Report summary from WP3&4	8	August 2007	August 2007
25	Report of capacity development needs (when project is over what are the CB needs to continue the project)	6	August 2007	August 2007
26	Fifth progress report	1	November 2007	November 2007
27	Project website updated	8	December 2007	December 2007
28	Final evaluation report	7	January 2008	January 2008
29	Copies of TV and/or radio broadcasts	8	January 2008	January 2008
30	Project case study	8	January 2008	January 2008
31	Final technical implementation report and final cost statement	1	February 2008	February 2008

Annex 2: Overview table on the state of advancement (in %) of the budget expenditure per partner and per work package

Work package	Actual/Planned Achievements	Total Partners	ECN	Riso	ECI
WP 1: Inception	Actual	65 %	60 %	80 %	80 %
	Planned	65 %	60 %	80 %	80 %
WP 2: Planning	Actual	10%	10%	10%	10%
	Planned	75%	75%	75%	75%
WP 3: Priorities	Actual	0 %	0 %	0 %	0 %
	Planned	65%	65%	65%	65%
WP 4: Best practices	Actual	0%	0%	0%	0%
	Planned	0%	0%	0%	0%
WP 5: Facilitation	Actual	0%	0%	0%	0%
	Planned	5%	5%	5%	5%
WP 6: Capacity Building	Actual	0%	0%	0%	0%
	Planned	5%	5%	5%	5%
WP 7: Monitoring & Evaluation	Actual	0%	0%	0%	0%
	Planned	12%	12%	12%	12%
WP8: Communication & Dissemination	Actual	12%	15%	5%	5%
	Planned	12%	12%	5%	5%
WP 9: Common Dissemination	Actual	0%	0%	0%	0%
	Planned	0%	0%	0%	0%